# **Iowa Legislative Services Agency Fiscal Services**

March 6, 2009



# ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

Section 17A.4(3) <u>lowa Code Supplement</u> requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at <a href="http://staffweb.legis.state.ia.us/lfb/docs/Admin Rules/arfiscal notes.htm">http://staffweb.legis.state.ia.us/lfb/docs/Admin Rules/arfiscal notes.htm</a>.

# **Department of Public Safety**

**ARC 7566B** 

Rule Summary Updates vehicle ignition interlock devices (related to sanctions for operating while

intoxicated) to recognize technological advances.

**Fiscal Impact** No fiscal impact.

**ARC 7562B** 

**Rule Summary** Specifies the process to find information about records maintained by the Department

of Public Safety (DPS). Updates restrictions for the release of official photographs of

employees of the DPS. Renumbers public record rules to ease access.

**Fiscal Impact** No fiscal impact.

**ARC 7563B** 

**Rule Summary** Updates Department rules, including rescinding certain rules that may have

exceeded the Department's rulemaking authority regarding video surveillance. Makes these rules more consistent with rules of the Iowa Racing and Gaming Commission and more consistent with the statutory authority afforded the

Department of Public Safety in Section 99F.4, Code of Iowa.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

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# Homeland Security and Emergency Management Division – Department of Public Defense

#### ARC 7581B and 7580B

# **Rule Summary**

Creates the Community Disaster Grant Program authorized in HF 64 (Disaster Assistance Appropriations Act). Awards the Homeland Security and Emergency Management Division disaster recovery grants to cities and counties based on their pro-rata share of damage costs associated with Presidential Disaster Declaration DR-1763-IA occurring after May 24, 2008, and before August 14, 2008. Calculates the pro-rata share by the obligated funds from the Federal Emergency Management Agency (FEMA) Individual Assistance Program and Small Business Administration Disaster Loan Program as of February 2, 2009. Requires grant moneys to be used by the eligible recipients for disaster-related costs not otherwise funded by federal or non-federal sources.

## **Fiscal Impact**

House File 64 appropriated \$22.0 million from the Iowa Economic Emergency Fund to the Department of Public Defense for the Homeland Security and Emergency Management Division. Each eligible city and county completing and submitting an application by April 1, 2009, will receive a minimum of \$2,000. The funds must be spent by June 30, 2010. The money is to be used for a broad range of activities such as:

- Non-profit organization assistance.
- Assistance for the public purchase of land and structures outside programs available from FEMA.
- Assistance for repair, replacement, or upgrade of public infrastructure damaged by the disasters.
- Assistance for increased costs associated with the revaluation and assessment of property due to the natural disasters.
- Small business assistance.
- Assistance for the replacement or rehabilitation of housing.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

#### **Environmental Protection Commission**

**ARC 7565B** 

# **Rule Summary**

Adopts new federal regulations affecting stationary internal combustion engines, gasoline distribution facilities, and surface coating operations. Amends State air construction permitting requirements to accommodate the new federal regulations.

## Fiscal Impact

No fiscal impact.

**ARC 7569B** 

# **Rule Summary**

Changes construction requirements for onsite wastewater treatment or septic systems to include technology changes. Requires the inspection of a private septic system when a home is sold. Changes inspection procedures. Implements the Certified Inspector Program. Changes the effective dates for a wastewater General Permit #4.

# **Fiscal Impact**

The Department of Natural Resources (DNR) estimates that the fees collected from the Certified Inspector Program will be approximately \$15,000 annually and deposited in the Certified Inspector Fund. The DNR estimates related annual expenditures will be approximately \$15,000 and 0.25 FTE position.

**ARC 7570B** 

**Rule Summary** Prohibits surface application of manure on frozen or snow-covered ground under

> specified circumstances at confinement feeding operations or open feedlot operations that are required to submit manure/nutrient management plans. Conditions include the slope of the land where manure will be applied and whether the manure is solid or liquid. Requires the inclusion of a map where manure application is prohibited or limited when submitting a manure/nutrient management

plan.

**Fiscal Impact** No fiscal impact.

**ARC 7564B** 

**Rule Summary** Changes definitions and requirements in the rules to be consistent with State and

> federal law related to animal feeding operations and the National Pollutant Discharge Elimination System (NPDES) Permit Program. Changes definitions, land application practices, and nutrient management plan requirements associated with the

implementation of the phosphorus index.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

**Department of Economic Development** 

**ARC 7557B** 

**Rule Summary** Permits the Iowa Department of Economic Development Board to take action on

requests to waive Community Economic Betterment Account (CEBA) wage and other non-statutory requirements as they apply to disaster recovery business assistance projects. Rescinds references to the Board's ability to waive certain eligibility requirements for the High Quality Jobs Creation (HQJC) Program, and the Iowa Values Fund, since the Board does not have the statutory authority to do so.

No fiscal impact to the State. The total estimated FY 2009 awards from the CEBA Fiscal Impact

remains at \$4.5 million.

**ARC 7561B** 

**Rule Summary** Establishes a limit on the total amount of Targeted Jobs Withholding Tax credits

awarded based on the total amount of depreciable assets in a project. Permits required financial support to include either tax abatement or cash or in-kind grants equivalent to tax abatement. Requires applications to be presented to the lowa Department of Economic Development Board for comment prior to the Department's approval. Based on public comment, the rules have been changed to establish a limit on the total amount of withholding tax credits awarded based on the total

amount of land, site preparation costs, and depreciable assets in the project;

Fiscal Impact No fiscal impact.

#### **ARC 7558B**

## **Rule Summary**

Implements a Jumpstart Small Business Disaster Recovery Financial Assistance Program to provide financial assistance to businesses that sustained physical damage or economic loss due to the 2008 natural disasters. Establishes eligibility requirements and identifies the types and amounts of assistance available. Based on public comment, the following changes have been made to the proposed rules:

- Specifies both for profit and non-profit businesses are eligible to apply for assistance. The amendments further clarify that a business includes a commercial landlord.
- Expands the list of eligible lenders to include a rural electric or telephone cooperative with an established Economic Development Administration (EDA) or U.S. Department of Agriculture (USDA)-based revolving loan fund program or intermediary re-lending program.
- Increases the maximum amount available to an eligible business from \$50,000 to \$55,000. Of this total amount, a maximum amount of \$5,000 is available for energy-efficient purchases and installation.
- Limits the reimbursement for energy-efficient purchases to the purchase price less any utility rebates received. Permits reimbursement for installation costs. Requires an eligible business to have an executed loan document from an eligible lender to qualify for assistance.

# **Fiscal Impact**

The Program provides \$20.0 million in business financial assistance primarily in the form of forgivable loans. The Department of Economic Development (DED) distributes the funds through local government participants, including certain lowa councils of governments (COGs), cities, and counties. The funding is provided from the following sources:

Amount	Funding Source
\$ 5,000,000	Iowa Power Fund
10,000,000	Iowa Values Fund
5,000,000	FY 2008 Community Development Block Grants
\$20,000,000	Total

STAFF CONTACT: Ron Robinson (Ext. 16256)

## Dental Board

**ARC 7568B** 

**Rule Summary** Permits a dental hygienist to place provisional appliances under the direct supervision of a dentist.

**Fiscal Impact** No fiscal impact.

**ARC 7555B** 

Rule Summary Eliminates the requirement that a public health supervision agreement must specify a

period of time, no more than 12 months, that an examination by a dentist must occur

prior to the dental hygienist providing further hygiene services.

Fiscal Impact No fiscal impact.

**ARC 7567B** 

**Rule Summary** Removes the examination administered by the American Board of Dental Examiners,

Inc. (ADEX) from the list of examinations that dental hygiene applicants may

complete to qualify for licensure. The ADEX is no longer administered by the Central Regional Dental Testing Service, Inc., of which lowa is a member. Two additional

tests will still be available to qualify for licensure.

Fiscal Impact No fiscal impact.

**ARC 7575B** 

**Rule Summary** Specifies the appeal process for a denial of licensure or registration by the Dental

Board.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

**Department of Revenue** 

**ARC 7592B** 

**Rule Summary** Makes technical corrections to various Department of Revenue rules in multiple

programs.

Fiscal Impact No fiscal impact.

**ARC 7593B** 

**Rule Summary** Includes unprocessed marijuana plants within the references for the four different tax

stamps.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)

# **Real Estate Appraiser Examining Board**

**ARC 7595B** 

**Rule Summary** Clarifies hardship and disability requirements to bring rules into compliance with

federally-mandated guidelines set forth by the Appraisal Qualifications Board. Increases the fee for voluntary submission of work product review to \$150 for

residential reports and \$250 for nonresidential reports.

**Fiscal Impact** No fiscal impact. While the cost for submitting voluntary work product was increased

to reflect the actual cost to have the work product reviewed, there has not been a

request since it was permitted.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)

## **Department of Human Services**

**ARC 7590B** 

Rule Summary Clarifies that an applicant or participant has the primary responsibility for providing

information and verification needed to establish eligibility and benefits.

**Fiscal Impact** This may result in minimal savings to the Department of Human Services.

**ARC 7577B** 

**Rule Summary** Permits temporary suspension of eligibility review requirements in certain counties

impacted by the disasters for the Family Investment Program (FIP), State

Supplementary Assistance, Food Assistance, Medicaid, Healthy and Well Kids in Iowa (hawk-i) Program, IowaCare, and Child Care Subsidy Assistance. For affected households the next report, review, recertification, or redetermination is scheduled as if the June, July, or August 2008 report, review, recertification, or redetermination had

occurred.

**Fiscal Impact** The Department of Human Services estimates the cost to the General Fund is \$6.1

million. The majority of the impact is to the Medicaid Program and is accounted for in

the current projected supplemental need for FY 2009.

**ARC 7546B** 

**Rule Summary** Provides for assignment of rights of individual Medicaid clients for medical payments

from third party health care coverage.

Fiscal Impact This may result in additional collections from third parties resulting in Medicaid

savings.

**ARC 7544B** 

**Rule Summary** Implements a new State-funded Family Planning Program for women with income

less than 200.00% of the Federal Poverty Level (FPL) but not eligible for coverage

under the Iowa Family Planning Network.

Fiscal Impact House File 2425 (FY 2009 Health and Human Services Appropriations Act)

appropriated \$750,000 for this Program. It is estimated that enough women will

utilize the services to expend all of the FY 2009 funding.

**ARC 7547B** 

Rule Summary M

Makes the following changes:

- Expands the applicability of Medicaid's health care data match program.
- Expands and clarifies the obligations of third party health care coverage legally responsible to pay for health care for a Medicaid member.
- Merges group provisions regarding payment by third parties into a single rule.

**Fiscal Impact** 

It is expected that there will be some savings to the Medicaid Program associated with increased information from third party payers.

**ARC 7548B** 

**Rule Summary** 

Limits coverage of blood glucose monitors and test strips to those produced by manufacturers contracting with the Department of Human Services to provide a rebate for monitors and test strips provided through the Medicaid Program.

**Fiscal Impact** 

This change is estimated to save the General Fund \$115,000 in FY 2009 and \$454,000 in FY 2010.

**ARC 7549B** 

**Rule Summary** 

Changes the requirements for service worker (Department employees) involvement with clients receiving State financial assistance for the costs of nursing and personal care provided for in-home health-related care.

**Fiscal Impact** 

No fiscal impact.

STAFF CONTACT: Jess Benson (Ext. 14611) Deborah Helsen (Ext. 16764)

Professional Licensure Division - Department of Public Health

**ARC 7476B** 

Rule Summary

Behavioral Science: Updates licensure and disciplinary requirements. Adds requirements for temporary licensure. Rescinds duplicative language. Adds an effective date for implementation.

**Fiscal Impact** 

No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

**Department of Agriculture and Land Stewardship** 

**ARC 7587B** 

**Rule Summary** 

Changes the names of two divisions in the Department of Agriculture and Land Stewardship. This includes the Administration Division and the Consumer Protection and Industry Services Division.

**Fiscal Impact** 

Minimal fiscal impact.

**ARC 7556B** 

Rule Summary Modifies the definition of an lowa resident related to various components of aerial

application of pesticides.

Fiscal Impact No fiscal impact.

**ARC 7572B** 

**Rule Summary** Changes the distribution of apiary registration forms from the Department of

Agriculture and Land Stewardship instead of specifically from the State Apiarist.

Fiscal Impact No fiscal impact.

**ARC 7553B** 

**Rule Summary** Allows for use of electronic receipts for grain and other agricultural products.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

# **Architectural Examining Board**

**ARC 7543B** 

**Rule Summary** Terminates a rule regarding architectural examinations. The rule was posted in error

and a new Notice of Intended Action has been filed to replace it.

Fiscal Impact No fiscal impact.

**ARC 7545B** 

Rule Summary Permits a person seeking an architectural commission to be admitted to provide

architectural services in Iowa without having first been registered if the person

provides proper information to the Architectural Examining Board.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)

# **College Student Aid Commission**

**ARC 7574B** 

Rule Summary Expands the definition of lowa resident to include individuals that the Department of

Human Services had placement and care responsibilities required by the juvenile

court system for the All Iowa Opportunity Foster Care Grant Program.

**Fiscal Impact** No fiscal impact. This change makes an estimated 25 or fewer individuals eligible

each year to apply for the Grant and has no impact on administrative costs of the Program. Funds for the Grant Program are allocated at a fixed amount so Program

costs will not increase.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

# **Department of Corrections**

**ARC 7560B** 

**Rule Summary** Rescinds various outdated and unnecessary rules.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

#### **Department of Cultural Affairs**

**ARC 7589B** 

**Rule Summary** Removes language requiring applicants to be in the process of applying for their own

federal tax exemption and to already be registered lowa nonprofit organizations for

eligibility for the Iowa Community Cultural Grant Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

#### **Board of Educational Examiners**

ARC 7600B

**Rule Summary** Eliminates the requirement that out-of-state applicants attend teacher preparation

programs accredited by the National Council for Accreditation of Teacher Education (NCATE). Out-of-state applications will, instead, be evaluated individually and held

to the same standard as in-state applications.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

# **Department of Elder Affairs**

**ARC 7599B** 

**Rule Summary** Provides support services for family caregivers of persons aged 60 and over and for

grandparents or older individuals that are relative caregivers of children. Establishes

standards for those services.

**Fiscal Impact** No fiscal impact. The services are funded with federal funds.

STAFF CONTACT: Jess Benson (Ext. 14611)

# Office of Energy Independence

**ARC 7573B** 

**Rule Summary** Permits the Power Fund Board meetings to be electronically recorded. Increases the

percentage of the lowa Power Fund that is available for administrative costs from 1.5% to 3.5% of the amount appropriated. Establishes a process for considering

requests to keep information confidential.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16259)

# **Engineering and Land Surveying Examining Board**

**ARC 7542B** 

**Rule Summary** Terminates minimum standards for certain land surveying proposed rules.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)

## **Historical Division - Department of Cultural Affairs**

**ARC 7583B** 

**Rule Summary** Limits the frequency of applications for the Historical Resource Development

Program Grants. Clarifies limitations on matching fund sources. Requires public

access to historical resources funded by the Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

## **Iowa Finance Authority**

**ARC 7579B** 

Rule Summary Requires the Iowa Finance Authority to allocate the additional ceiling authority

authorized by the federal Housing and Economic Recovery Act of 2008 for the

issuance of private activity bonds by governmental entities.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

#### Iowa Public Employees' Retirement System (IPERS)

ARC 7591B

**Rule Summary** 

Implements the new contribution rates for special service members as provided by the General Assembly effective July 1, 2009. The contribution rate for Sheriffs and Deputies for FY 2010 totals 15.24% (7.62% for the employer and 7.62% for the employee). The contribution rate for the Protection Occupation group for FY 2010 totals 15.34% (9.20% for the employer and 6.14% for the employee).

# **Fiscal Impact**

The Sheriffs and Deputies group will pay the actuarial rate. The rate is split 50.0% employer and 50.0% employee. The increase in FY 2010 is 0.20% or \$20 per year per \$10,000 in IPERS-covered wages. For \$40,000 a year in wages, the increase is \$80 per year. The employee and employer each pay \$40 a year or about \$3.33 a month more for each.

The Protection Occupation group will pay the actuarial rate. The rate is split 60.0% employer and 40.0% employee. The increase in FY 2010 is 1.26% or \$126 a year for each \$10,000 in IPERS-covered wages. For a \$40,000 a year in wages, the increase is \$504 per year. The employer will pay an additional \$302.40 a year, or approximately \$25.20 a month. The employee will pay an additional \$201.60 a year, or approximately \$16.80 a month.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

# **Labor Services Division – Department of Workforce Development**

**ARC 7541B** 

**Rule Summary** Complies with changes to the U.S. Department of Labor's rules regarding

occupational safety and health training and personal protective equipment. Clarifies that each covered employee must be provided training and personal protective equipment. Non-compliance may expose an employer to liability on a per-employee

basis.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

## Libraries and Information Services Division - Department of Education

**ARC 7596B** 

**Rule Summary** Provides a process for requesting waivers and variances from rules of the Division of

Libraries and Information Services.

Fiscal Impact No fiscal impact.

ARC 7597B

**Rule Summary** Provides a process for requesting a declaratory order from the Division of Libraries

and Information Services.

**Fiscal Impact** No fiscal impact.

**ARC 7598B** 

**Rule Summary** Provides a process for filing petitions for rulemaking with the Division of Libraries and

Information Services.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

## **Natural Resource Commission**

**ARC 7588B** 

**Rule Summary** Implements septic tank inspections at the time-of-transfer requirement as enacted in

SF 261 (Private Sewage Disposal Inspection Act). Provides an exemption from the Groundwater Hazard Statement for landowners that have leases related to electronic

towers and wind turbines.

**Fiscal Impact** No fiscal impact to the State.

STAFF CONTACT: Debra Kozel (Ext. 16767)

## **Professional Licensure Division – Department of Public Health**

**ARC 7586B** 

**Rule Summary** Removes the position of Secretary as an elected officer of the 19 Professional

Licensure Boards. Clarifies the rights of a licensee to file for a hearing.

Fiscal Impact No fiscal impact to the State. Certain licensees may be impacted depending on

results of the examinations and appeal process.

**ARC 7578B** 

Rule Summary Barbers: Makes technical changes and rescinds duplicative language relating to

licensure requirements for barbers. Requires a barber instructor to obtain an additional four hours of continuing education in teaching methodology in addition to the eight hours of continuing education required for renewal or reactivation of a

barber license.

**Fiscal Impact** No fiscal impact.

**ARC 7576B** 

Rule Summary Nursing Home Administrators: Technical corrections for consistency. Rescinds

duplicative language. Provides for web-based reporting of name and address

changes by licensees.

Fiscal Impact No fiscal impact.

**ARC 7552B** 

**Rule Summary** Podiatry: Terminates a noticed rule that made technical changes relating to

residency programs to conform to the American Podiatric Medical Association's

Council on Podiatric Medical Education.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

**Department of Public Health** 

**ARC 7550B** 

Rule Summary Updates technical information of the company Medic Alert® that provides the uniform

identifier recommended by the Department of Public Health for persons with

legitimate out-of-hospital do-not-resuscitate (DNR) orders.

Fiscal Impact No fiscal impact.

**ARC 7551B** 

**Rule Summary** Provides for standards of maintenance for persons or entities that own, manage, or

are otherwise responsible for the premises that include an Automated External

Defibrillator (AED) device.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

# **Racing and Gaming Commission**

**ARC 7554B** 

Rule Summary Updates certain racetrack and gambling game rules to conform to current industry

standards.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)

### **Real Estate Commission**

**ARC 7559B** 

**Rule Summary** Changes the tax identification number (TIN) for real estate broker trust accounts and

changes the legal address for the Iowa Finance Authority.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)

# Soil Conservation Division - Department of Agriculture and Land Stewardship

**ARC 7594B** 

**Rule Summary** Changes the permanent crop cover in the Summer Incentive Program for soil

conservation practices. Funds will be available for the planting of a conservation

cover crop in place of cropland during the growing season.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

## **Utilities Division – Department of Commerce**

**ARC 7584B** 

**Rule Summary** Changes the amount a customer is required to pay for natural gas and electric plant

additions, gas main distribution extensions, and electric line extensions. Removes the option for a customer to pay a contribution for aid of construction rather than an

advance for construction.

Fiscal Impact No fiscal impact.

**ARC 7585B** 

Rule Summary Updates notification and reporting requirements for outages and incidents involving

natural gas and electric utilities. Requires electric transmission companies to notify

the Board under similar circumstances.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 52062)